

NBC News: "Meet the Press"

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MR. TIM RUSSERT: With us: the Chairman of the House Homeland Security Committee, Republican Peter King of New York, and the Chairman of the Senate Armed Services Committee, Republican John Warner of Virginia.

Gentlemen, welcome, both.

Let's go right to it. Congressman King, there are reports that the White House and the company from Dubai are going to enter into a deal which would say that there'll be a 45-day investigation to look again at this arrangement where the company from the United Arab Emirates would take over six American ports. What can you tell us?

REP. PETER KING (R-NY): I've heard the same reports you have. Some people close to the negotiations have been talking to me, and it appears as if it's almost wrapped up, but I don't want to, you know, prejudge it. But they seem fairly confident that it is going to be announced relatively soon. If so, I think it's a good step. We have to see all the details. And it has to be a real investigation. It's the type of investigation that should have been conducted, quite frankly, when this process was under way. It shouldn't be an add-on. But now that it is, I think it will be very positive step. It has to be a full and thorough investigation, because no investigation has been conducted up till now.

MR. RUSSERT: If there is a full and thorough investigation, and it comes back and says, "We can allow this deal to go forward. I, President Bush recommend it," will that satisfy you?

REP. KING: I think Congress has to see the findings, Congress has to be made aware of it as it goes along, because they're also saying that--Michael Chertoff, on your show last week, said there was an investigation which cleared this company, and there was no investigation. So we'll have to see exactly what the report is, what the findings are, what the facts are, have that shared with Congress, and at that time we can decide.

MR. RUSSERT: Congressman, on Wednesday you were saying things like this: "For a port manager to run the ports, they have to interface with our security forces. They have to work with the Coast Guard, they have to work with all the local authorities, which means they are within our defense perimeter. They know exactly what is being done as far as security, so they can easily infiltrate, they can easily take advantage of that. You know the old expression of bringing the fox into the chicken coop. You would be having a company right in there in the heart of our security operation. Whether or not they're doing the security isn't the main issue, the fact is they would be brought into the security nexus, into the security operations." Is there anything that anyone can say that would make you feel comfortable with a company owned by the United Arab Emirates operating ports in America and involved in that security nexus?

REP. KING: First of all, I stand by everything I said, and I would have to be shown, to the extent that my opinion counts, I would have to be shown that there's nobody in the government today, in UAE, which had ties to the Taliban or to al-Qaeda, no one within this company has any ties to al-Qaeda or to the Taliban. Because remember, this was only four and a half, five years ago that they were very close to bin Laden, they were supporting the Taliban. And unless there's been a complete transformation, I have real concerns. And I think people who sort of glibly say, "Well, you know, they're not going to handle security, UAE is a great ally," four and a half years ago, they were not an ally, they were working with the enemy, and if those same people are still there today that were there then, these are real serious issues.

MR. RUSSERT: Would you want U.S. monitors involved in the company reporting to Congress on a bimonthly or biyearly basis?

REP. KING: One thing that could be done is sort of like when the courts imposed monitors over a union or a company to monitor it, perhaps that could be at the end. Because even if nothing turns up now, the fact is this government could shift overnight, the way it's done in the past, and then we'll be stuck. So again, I don't want to

prejudge it, but I think certainly a real possibility at the end of this process to have U.S. officials monitoring it on a regular basis.

MR. RUSSERT: Senator Warner, you were the first United States senator to express some support for the President on this. You've been deeply involved in the discussions, in the negotiations. What can you tell us?

SEN. JOHN WARNER (R-VA): Well, first, I think the President has taken the right steps. And I have carefully gone back and reviewed all the intelligence that was given to the CFIUS panel. I have, yesterday, spent a good deal of time in the Department of Defense with the Joint staff on the issues of intelligence, the impact and talked to my leader, Bill Frist. And I see there's a coming together within the Congress now of a consensus that we're going to take a good look at this for 45 days. And last night, I was contacted by the chief operating officer of this company, and he asked to see me. So I went over and I spent about two hours with him and his lawyers, and I talked again this morning. And this is a copy of the agreement which is now being delivered to the administration and to members of Congress. And it really spells out unequivocally the willingness of this country--excuse me, this company, to give every means of support to help work this thing out.

It says, "DP World and POPNA," that's the British, "jointly request," now, they're requesting, that's a key thing, "that the CFIUS process on a nonprecedential basis to conduct an a view--review full and 45 days for the acquisition." So there it all is. And I...

MR. RUSSERT: So the company is requesting a 45-day review investigation...

SEN. WARNER: That's correct. Mm-hmm. Mm-hmm.

MR. RUSSERT: ...before the deal would go forward?

SEN. WARNER: Well, the deal--now, you've got to make certain, the deal is a very large one. You know, this company...

MR. RUSSERT: The U.S. component of the deal.

SEN. WARNER: That's right. It's about 10 percent of a deal. This company's doing business, Tim, with over 30 nations. It has an excellent record. It was selected last year among its peer group as the most outstanding terminal operator in the world. And I want to point out, this is a bigger issue for our country than just this commercial agreement. We're in a global situation, it is diplomacy, it is our economic standing in the world, and it is the military security. Let me address the latter. As I said, I read the reports to the intel, which went to the CFIUS under the previous and will obviously be a part of this new review. I talked with the Pentagon, and the Pentagon views this as follows: We are using facilities in the UAE today, docking over 500 ships, American warships, last year, using their air fields to perform support missions for both Afghanistan and Iraq. We cannot treat this company as a second-class citizen. In the past, as the Congress mentioned, there were problems, but since 9/11 they've been a full partner in the war on terrorism. We as the United States are dependent on countries like the UAE, Qatar, Bahrain, Kuwait, all of them there, to give us the support to fight this war on terrorism. We cannot mess this deal up. And in the eyes of the world...

MR. RUSSERT: You said there--Senator, you said there are problems.

SEN. WARNER: Yeah.

MR. RUSSERT: I think the American people are quite concerned with those, quote, "problems." This is how the Associated Press reported it: "Critics of the proposed purchase say a port operate--operator complicit in smuggling or terrorism could manipulate manifests and other records to frustrate Homeland Security's already limited scrutiny of shipping containers and slip contraband past U.S. Customs inspectors. Since the September 11th attacks, the FBI has said the money for the strikes was transferred to the hijackers primarily through the United Arab Emirates'

banking system, and much of the operational planning for the attacks took place inside the UAE. Many of the hijackers traveled to the U.S. from the UAE. Also, the hijacker who steered a United Airlines flight into the World Trade Center's south tower born in the UAE. After the attacks, the U.S. Treasury Department officials complained about a lack of cooperation by the United Arab Emirates and other Arab countries trying to track down Osama bin Laden's bank accounts." The September 11 Commission report.

SEN. WARNER: Sure.

MR. RUSSERT: The Chairman, Tom Kean, says this is not a good deal, a good idea. And in this report it suggests that when we had a chance to take bin Laden out, that UAE official may have tipped bin Laden off to get out of the hunting camp that he was staying in and to avoid our strike.

SEN. WARNER: Tim, those facts in large measure were before the CFIUS that reviewed this.

MR. RUSSERT: The government board that looks into these things.

SEN. WARNER: That's correct, which has already reviewed it. They will be re-reviewed under the 45-day process. And let's say that the concern across America is legitimate. In all of our hearts is 9/11 and the losses we sustained. But also in our hearts are the men and women of the armed forces--over 2,000 have been killed, some 25,000, 30,000 wounded. We need to continue to give them the support they need to finish this battle. Whether it's in Afghanistan or Iraq, and the utilization of the facilities in UAE and the other Arab areas is essential. Absolutely essential. If the UAE felt that they're being mistreated and were to pull back that support, where would it shift? We know not. Would other Arab nations--given the fact that it looked like we used a double standard here, would they step up and take that excess? I don't know. Let us be very cautious. Remember, we've got to look at this thing from a global perspective. Those facts are important. They were taken into consideration in the previous review. They'll be subject to re-review in the 45 days forward.

MR. RUSSERT: The feelings of the UAE, is that an important factor here?

REP. KING: Yes, but there can't be a moral equivalency here. We can't be comparing Tony Blair to the emir of Dubai.

And I have to disagree with the senator. I don't believe CFIUS did really look at this. For instance, they didn't speak to anyone on the 9/11 Commission to find out if the people who tipped off bin Laden are still in the government. Are they in the government? Do they have any involvement with this company? That any of those who strongly urge recognition of the Taliban, are they still in the government? That's why this alliance could be an alliance of convenience. Obviously we have to work with UAE and other moderate Arab states, but still in no way a democracy. It still is anti-Israel.

So, this is a government, right now they've decided for their purposes right now that they will side with us. But just as they were siding with the Taliban before, they could shift back. And I just don't feel we should give them this carte blanche that so far they've gotten. And that's why I think all these issues have to be looked into. And just because they're an ally doesn't mean we can overlook the fact that there could be an emir or a relative of an emir who was very close to al-Qaeda, who is still in the government and involved with this company. That has to all be looked at. It has not been looked at. It's a matter of national security that it be looked at.

MR. RUSSERT: You mentioned moral equivalency. I want to show you something the President said. Let's listen.

PRES. BUSH: I think it sends a terrible signal to friends around the world that it's OK for a company from one country to manage the port, but not a country that has--plays by the rules.

MR. RUSSERT: You told Laura Ingraham on her radio show that's the equivalent of the President playing the race card.

REP. KING: Yes, when the President suggests that people are questioning this because it's an Arab nation or because it's a Muslim nation, that was the implication, that was wrong. And nobody has more regard for President Bush. I've supported him down the line, but on this issue it's really wrong. And I thought it was inappropriate to say that a person like myself--who lost over 150 friends, neighbors and constituents on September 11--is questioning the United Arab Emirates because of its past record, and instead implying that I'm doing it because they're Arabs and Muslims. That's wrong. There are real issues here, and the White House should realize it.

This is not--there's no demagoguery. This is a very, very serious, involved issue, and we have to set a protocol as to how we're going to deal with nations like this as we go forward. I don't believe you can treat the United Arab Emirates the same as you treat Great Britain. We certainly treat them better than other countries, but not like Great Britain or Australia or other countries who've stood side-by-side with us from the beginning. Not just, you know, Johnny-come-latelies.

SEN. WARNER: Tim, who--there comes...

MR. RUSSERT: Senator, do you think there is anti-Arab bigotry in this?

SEN. WARNER: Tim, here's my approach to this thing. I think we've got to show the Chairman and others strong leadership in the Congress in this next 45-day period and try to dispel any concept of bigotry, recognize the sincerity of the feelings across the country for our losses, our continuing losses, but recognizing in the broader context of our global relationships of our country, future business deals with other companies. This is going to establish a precedent, and it's got to be done in a way not to choke off other opportunities. So I'm confident if we show that strong leadership in the Congress--and Bill Frist and I discussed it late into the night last night, and he's prepared to do it--then I believe we can make a persuasive case that the government review the first time with the second review, justifies what the President said, this deal should go forward.

MR. RUSSERT: If you're satisfied that this will be an aggressive 45-day investigation, will you hold off any legislation to try to block the deal?

REP. KING: Yes, I will. I don't see any purpose to go forward and force a confrontation with the President, because the main purpose of the legislation was to bring about this 45-day investigation. If that--if that occurs, if when we see details, it's a full investigation, yes, there's no need at this time to go ahead with any legislation.

MR. RUSSERT: Senator Hillary Clinton of New York said that airports in the United States are controlled by local authorities. She doesn't think that there should be foreign ownership of any port in the United States. Do you agree with that?

REP. KING: No, I don't think we can make that statement across the board. First of all, there's any number of ports in the country that are controlled by foreign companies now, certainly a lot of this began under the Clinton administration itself. But I think we do have to, in the post-9/11 era though, see what companies we're going to be dealing with, what countries we're going to be dealing with and if additional protocols have to be put in place. But I would not say, no, we can't say across the board no foreign ownership of ports.

MR. RUSSERT: Let me--let me ask...

SEN. WARNER: Tim, you got to--you got to stop using this foreign ownership. They're not buying the port. That remains in domestic control, whether it's a municipality, the state or private. They're just getting leases to operate the terminals--the cranes, the handling, the transportation...

MR. RUSSERT: The operation and management.

SEN. WARNER: That's correct. So this--it's wrong, we got off on the wrong foot, that's why I held that hearing last week, put everybody up there, we're not selling our ports to the foreigners.

REP. KING: But they do have access to what goes on inside the ports, and that is significant.

MR. RUSSERT: I--gentlemen, the Democrats have--are saying very loudly that they have tried repeatedly to put more money into port security. Benny Thompson, Democrat on your committee, Congressman, he tried to increase spending by a billion dollars, he wanted to double the number of oversea port inspectors, he wanted to put radiation portal monitors. And every time, the Republicans said no, you voted no. Do you regret now opposing some of those measures to improve port security?

REP. KING: Tim, we have voted to increase port security dramatically, it's gone up almost \$2 billion since four years ago. Almost 100 percent is screened, it's not actually examined. But even, you know--people use a number that only 5 percent of the cargo is actually examined. Even Senator Clinton the other day, said 15 is maximum. So it's between 5 and 15, we do have to do more. I support doing more. In fact, my committee is holding hearings next month, Congressman Lundgren, Congresswoman Harman are holding hearings on the issue of port security. More does have to be done, but a lot has been done also.

MR. RUSSERT: So the Democrats were right?

REP. KING: No, we--no, a lot more has to be done. The fact is you don't just throw money at it, you do it in a way that works. Well, half this technology the people are talking about doesn't work that well, and the idea is how do you do it? You can't be examining every piece of cargo that comes in, it's to do it effectively and also to do it in a way that doesn't stop world commerce. Having said that, we realize more has to be done. But their idea, in all due respect, often is throw money into it. And you--again, the idea is to do it in an effective, smart way. I think more should be done, and I've said that all along. I had hearings last year as subcommittee Chairman, having hearings now that I'm full Chairman, and we are going to move forward. I think Susan Collins is really moving the right direction.

MR. RUSSERT: Senator...

SEN. WARNER: If there's one good thing that can come out of this, it is compelling us to go back and review this whole question about port security and the funding levels, and I...

MR. RUSSERT: It may take more money.

SEN. WARNER: It's going to take a lot more money.

MR. RUSSERT: Let me turn to Iraq, Senator. You are the Chairman of the Senate Armed Services Committee, this is the cover of Time magazine coming out on the newsstands tomorrow: Breaking Point. Do you believe that Iraq is on the verge of civil war?

SEN. WARNER: I don't think I or anyone else could make a definitive response to that question. I believe that there is not at this time the civil war that one would envision that meets the traditional definitions. Clearly, there's a very high level of conflict, secular conflict, but the good news in the last 48 hours is that the--there are really three levels of influence of the people: There's now the elected representatives, only a prime minister at the moment, temporarily there. Then there's the religious people, and they've all come together and said, "Let's take a grip on our situation and not let it get out of hand." The third level is your tribal leaders, and they're strong influence, they've joined. So across the board in Iraq in the past day, and our President telephoned these various leaders, becoming the realization we could slip into a civil war unless we act decisively to bring this government into being and put it in operation, and secondly, to continue at an accelerated rate to train and equip the forces needed to stop any civil war if it were to start.

MR. RUSSERT: If there is a civil war, what happens to the U.S. troops? What do they do?

SEN. WARNER: The U.S. troops, in my judgment, just speaking for myself, should not be involved in that type of secular conflict. We have trained 200-some odd thousand of these forces today. There's a hundred battalions of Iraqi

military. Over 50 of those battalions are able to take the lead in a fight with minimal U.S. support. So there's in place today, I think, sufficient military under the control of the Iraqis with certain limited support from us. But I do not think we should get involved in the civil war other than to give support to the Iraqi forces as they begin to put it down.

MR. RUSSERT: Congressman King, you supported the war. We are now three years into it. And there were four fundamental judgments made by the administration. One: There would be weapons of mass destruction found. That is not the case. Two: We would not need large numbers of troops to occupy Iraq for years on end. Three years in, we still have 130-some thousand troops. Three: We'd be greeted as liberators. And four: That the Shiites, the Sunnis and Kurds would all come together...

REP. KING: Uh-hmm.

MR. RUSSERT: ...and unite as Iraqis and not break down into tribal or sectarian warfare.

REP. KING: Uh-hmm.

MR. RUSSERT: Was the administration wrong on all four counts? Were there four fundamental misjudgments?

REP. KING: No, I think--and I still think it was the right thing to go in. You cannot allow a dictator to continue to defy U.N. resolutions, with people believing you had WMD and having the capacity to have WMD. And I believe the situation--we are at a very defining moment right now in Iraq.

What Senator Warner said, I think, is very significant, that you have had the parties come back together for the purpose of talks. And the Sunnis realize that if this does turn into a civil war, they will be slaughtered. So they need an American presence there, and they have to end any possibility of going toward a civil war. I think Ayatollah Sistani is still doing a very good job of trying to keep the Shiites from retaliating completely against the Sunnis. So I'm still--listen, this is a defining moment, and Senator Warner said, you know, it's up to them, ultimately. But I do think the Iraqi Army is much better trained. Seventy percent of the operations in Baghdad are carried out by Iraqis, the Iraqis being in the lead. So no, I think that this is a tough time, it's a very difficult time. My heart goes out to anyone who's lost anybody in Iraq. But having been there several times, I think we've made enormous progress. And if they can hold it together now, this can--having looked into the abyss, the Iraqi people may realize it's time now to not go to a civil war but instead form a government.

MR. RUSSERT: And the people on Long Island, in your district, aren't concerned about this war and they're patient and supportive the way you are?

REP. KING: No, they are very concerned and every, every death is tragic. But my district also lost well over 100 people on September 11. And realizing you cannot defeat radical Islamic terrorism unless the Middle East is stabilized, and you cannot stabilize it so long as Saddam Hussein was in power.

MR. RUSSERT: But you're not connecting Iraq to September 11?

REP. KING: I'm saying that in war against terrorism it's essential to have a stable Middle East, and you cannot have done that so long as Saddam Hussein was in power.

MR. RUSSERT: Senator, if the situation in Iraq is the same as it is today at the end of this year, what do you say?

SEN. WARNER: Well, I'm going to say it won't be the same. I still have a high degree of confidence that this government will come together and be responsible and perceived by the Iraqi people as representing their best interests in a unified way. And if that takes place, I think the President can continue, on the advice of his military commanders, to bring down the level of our forces there.

We have liberated that country. We have turned it over to them. The key is to keep the pressure on these elected leaders, 275 of them now. When they come together with the first meeting of their congress, if we should call it, assembly, and tell them, "You've got to get your act together." We cannot let it be perceived, we've given them an open ticket to sit there and dither around, as the previous government did, for a long period of time. You saw what happened in the streets in the last few weeks as a consequence of a tragic incident of blowing up the Golden Dome Mosque. You do not want to see that happen elsewhere in this country. Take charge. But we've got to send that message and remind them every day as our able ambassador, I think, is doing.

MR. RUSSERT: Well, we'll--and we'll see if they will listen. We'll be covering that story closely.

SEN. WARNER: Right.

MR. RUSSERT: Senator Warner, Congressman King, thanks very much.

REP. KING: Thank you, Tim.

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